

Talking About: *The Minimum Wage*



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Fifteen in Five: *Time to Give North Carolinians a Raise!*

We support raising the minimum wage to \$15 an hour in five years phased in at \$1.55 per year. Learn more at www.RaisingWagesNC.org.

What We Know

The minimum wage in North Carolina is \$7.25 an hour (or \$15,080 a year), the same as the federal minimum wage.

- That's \$1,000 less than the federal poverty level for a family of one adult and one child.
- It's \$20,000 less than what it would take to truly make ends meet, according to the NC Justice Center's Living Income Standard for a family of one adult one child.
- Due to inflation, the real value of the current minimum wage is actually lower than in 1968.
- The \$1.60/hr minimum wage of 1968 would've amounted to at least \$11.60 an hour in 2016, adjusted for inflation.

The Need is Clear:

- **An estimated 1.3 million people would benefit from raising the minimum wage to \$12 an hour—that's a third of our state's total workforce.**
- The ripple effect of raising the wage floor would give a boost to the many hundreds of thousands of working people making just above the minimum wage.
- Because most low wage workers are women, increasing the minimum wage would also help close the gender wage gap.

The Popular Support is There:

- **A poll by Public Policy Polling indicates that 72% of North Carolina voters support increasing the minimum wage.**
- Our citizens deserve better and most of them want better.
- 29 states, including several in the South, have passed minimum wages above the federal level.

- That includes 20 states where working people received a raise on January 1, 2017.
- Large numbers of cities and counties around the country have also raised their minimum wage, although state law prohibits localities from doing the same here.

Opposition Arguments Don't Hold Water:

- **While the majority of people support raising the minimum wage, opponents usually rely on two erroneous arguments, one about who makes the minimum and the other about the cost of raising it.**
- First, only 1 in 10 people who would benefit from raising the minimum wage in North Carolina are teenagers, according to a report by the Economic Policy Institute.
- In fact, of those who would benefit, more than 1/3 are 40 or older, almost a third have children, and 6 in 10 are working full-time.
- Second, economists have repeatedly found that raising the minimum does NOT result in widespread job loss or hurt the economy.
- In fact, states that have increased their minimum wages have actually seen better economic performance, lower unemployment rates, and higher job creation rates than those states that have not, according to recent studies by economists.
- Low-wage workers are spending their raises, boosting consumer spending at local businesses, boosting business sales, and creating more jobs.
- What's more, higher wages give working people the freedom to live without public assistance.

Lawmakers Should Embrace a Winning Strategy

- The need to raise the minimum wage is clear, the popular support for doing so is there, and the arguments against doing it don't hold water.
- **Gradually raising the minimum wage to \$15 in 5 years would add billions of dollars in consumer spending power.**
- **Doing so would increase tax revenue without raising taxes.**
- **It will allow tax dollars currently spent subsidizing the poverty-pay of low-wage employers to be used for other purposes.**